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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

July 15, 1999

ERIC FISHMAN
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VIA HAND DELIVERY

Magalie Roman Salas, Esq., Secretary
Federal Communications Commission
The Portals, TW-A325
445 Twelfth Street, S.W.
Washington, D.C. 20554

DOCKET FILE COPY ORIGINAL

Re: Startec Global Operating Company and PCI Communications, Inc.
Joint Request for Expedited Waiver
CC Docket No. 94-129

Dear Ms. Salas:

Transmitted herewith in triplicate on behalf of Startec Global Operating Company and its affiliate PCI Communications, Inc. is a joint Request for Expedited Waiver of the Commission's slamming rules. No filing fee is required pursuant to the Commission's rules.

An extra copy of the filing is enclosed. Please date-stamp the copy and return it to me.

If you have any questions, please contact the undersigned.

Very truly yours,



Eric Fishman
Counsel for Startec Global Operating Company
and PCI Communications, Inc.

Enclosure

cc: Ms. Kimberly Parker, FCC (by hand)

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BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

In the Matter of)	
)	
Implementation of the Subscriber Carrier)	CC Docket No. 94-129
Selection Changes Provisions of the)	
Telecommunications Act of 1996)	
)	
Startec Global Operating Company and)	
PCI Communications, Inc.)	

To: Chief, Common Carrier Bureau

JOINT REQUEST FOR EXPEDITED WAIVER

Startec Global Operating Company ("Startec") and its affiliate, PCI Communications, Inc. ("PCI"), by their attorney, and pursuant to Section 1.3 of the Commission's rules, 47 C.F.R. § 1.3, hereby jointly request the Commission to grant a limited waiver of its rules governing subscriber carrier selection changes, 47 C.F.R. §§ 64.110 *et seq.* so as to allow PCI to change the preferred carrier of those customers currently presubscribed to GST Telecom Pacific, Inc. ("GST") without first obtaining the customers' authorization and verification. Startec and PCI further request that the Commission expedite its consideration of this waiver request, and grant the relief herein sought no later than July 24, 1999, so as to ensure a prompt, seamless transition for GST customers. For the reasons set forth below, grant of this petition is consistent with recent Commission precedent and will serve the public interest by ensuring the continuity of vital telecommunications services to GST's current subscribers in the Territory of Guam.

Background. GST, Startec and PCI are all providers of domestic interstate and international telecommunications services, certificated under Section 214 of the Communications Act of 1934, as amended.¹ Both GST and PCI are currently based and operate in the Territory of Guam.

Pursuant to the attached Purchase Agreement dated as of July 8, 1999 (the "Agreement"), and filed as confidential pursuant to Section 0.459 of the Commission's rules, 47 C.F.R. § 0.459, GST has agreed to sell to Startec, and Startec has agreed to purchase, certain of GST's assets including, but not limited to, GST's customer accounts, customer lists, customer contracts, letters of agency, and other authorizations of GST's customers. It is Startec's intention to transfer these assets to PCI since all of GST's subscribers are residents of the Territory of Guam. The purchase of these assets will be effective upon the receipt of all required regulatory approvals. However, Startec will not be purchasing GST's authorization issued pursuant to Section 214 of the Communications Act.

Pursuant to the Purchase Agreement, the Closing Date for the planned transaction is to occur no later than July 24, 1999. GST, however, is in the process of winding down its entire operations in the Territory of Guam, and has advised Startec and PCI that it expects to discontinue its provision of service to subscribers prior to the Closing Date. At a recent meeting with representatives of GST, Startec and PCI, moreover, Guam Telephone Authority ("GTA"), Guam's monopoly local exchange carrier, advised the parties that the reconfiguration of its system to

¹ Startec Global Communications, File No. 89-099; PCI Communications, Inc., File No. 96-432;

effectuate the planned PIC changes would require approximately ten (10) days' time, and that it would not commence such reconfiguration until the FCC has granted the instant waiver request. Thus, absent an expedited grant of the instant waiver request, the continuity of long distance telecommunications services to existing GST customers may be jeopardized.

In light of these circumstances, requiring PCI to obtain verification from each of GST's current subscribers before it can begin to provide them with service would further imperil the seamless transfer of such subscribers and disrupt their ability to place 1+ long distance calls. Indeed, given the size of GST's subscriber base, it is extremely unlikely that PCI will be able to obtain the verification of each of GST's subscribers prior to the Closing Date, much less on the date GST expects to discontinue its Guam operations. Such a contingency would leave GST subscribers without a presubscribed long distance carrier, causing them substantial inconvenience and forcing them to utilize dial-around services which may be more expensive than the services they now receive from GST and will continue to receive from PCI.

In anticipation of the proposed transaction, on July 15, 1999, PCI and GST jointly sent notice letters to all GST customers in the form shown by Exhibit A attached hereto, informing them of the proposed assumption of their service by PCI, assuring customers that they will receive the same services at the same or better rates than those which they are currently paying to GST, and advising subscribers

that they can choose a different preferred carrier should they so desire. Once the proposed sale has been consummated, PCI will notify the customers of that event and reiterate the foregoing information, assurances and advice. Further, PCI will amend its domestic tariff to include any GST tariffed rates for any customers for which PCI will provide service. Additionally, PCI will take responsibility to investigate, respond, and attempt to cure any complaints of former GST customers processed after the sale. No GST subscribers will be assessed any PIC change, CIC change, or other charges as a result of the planned transfer.

Discussion. Startec and PCI respectfully submit that the above circumstances warrant a limited waiver of the Commission's general PIC change rule, pursuant to applicable Commission precedent, and that the relief requested would serve the public interest.²

In its Second Report and Order in CC Docket No. 94-129,³ the Commission has established a comprehensive framework to combat aggressively and deter unauthorized preferred carrier changes. Pursuant to Section 258 of the Act, the Commission has adopted detailed verification procedures which carriers must follow, and created financial and other disincentives for rule violations. Startec and PCI strongly support the Commission's initiatives in this area and have each adopted company-wide anti-slamming policies which conform with the Commission's mandate.

² WAIT Radio v. FCC, 418 F.2d 1153, 1159 (D.C. Cir. 1969); Sprint Communications Company, L.P. Request for Waiver, DA 99-1112, released June 17, 1999; International Exchange Communications, Inc. Request for Waiver, DA 99-894, released May 13, 1999.

The instant circumstances, however, warrant grant of a limited waiver of these policies so as to avert a potential disruption of service to GST customers and ensure a seamless transition of their service to PCI. As noted above, without a limited rule waiver, GST customers are at risk of either losing their long distance service or of being charged substantially higher rates than those they received from GST. PCI stands ready to commence service to these subscribers immediately to avert these adverse consequences. In anticipation of the proposed transition, PCI has already notified GST customers of the planned change, advised them of their rights under the Commission's rules, and promised to maintain their existing service at their current rates or better. PCI has committed itself to investigate, respond and attempt to cure any complaints of former GST customers processed after the sale, and no PIC change or other charges will be incurred by any existing GST customers as a result of this transaction. Thus, customers will not be in any detrimental position as a result of the transfer and limited waiver. Customers' rights to switch will be maintained, the Commission's slamming rules ultimately will be complied with, and the request for the limited waiver is being made only due to the unusual circumstance of avoiding potential disruption to existing GST customers.

Over the past month, the Commission has granted several requests for limited waivers of its anti-slamming rule under circumstances that are similar, if not identical, to the circumstances found in the instant case. *See, e.g., Long*

³ In the Matter of Implementation of the Subscriber Carrier Selection Changes Provisions of

Distance of Michigan, Inc., Request for Waiver, DA 99-1295, released July 9, 1999; *Sprint Communications Company, L.P. Request for Waiver*, DA 99-1112, released June 17, 1999; *International Exchange Communications, Inc. Request for Waiver*, DA 99-894, released May 13, 1999. *See also Core Comm Limited Request for Waiver*. DA 99-893, released May 13, 1999. Startec and PCI respectfully urge the Commission to extend this relief here.

WHEREFORE, for each of the above reasons and subject to the foregoing conditions, Startec and PCI jointly request that the Commission grant a limited waiver of its rules and orders to allow PCI to be designated the preferred long distance carrier for current customers of GST without obtaining the customers' authorization and verification. Startec and PCI also request that the Commission expedite its consideration of the instant filing, and to grant waiver relief no later than July 24, 1999 since GST intends to discontinue operations in the relatively near future.

Respectfully submitted,

STARTEC GLOBAL OPERATING COMPANY

PCI COMMUNICATIONS, INC.

By:



Eric Fishman, Esq.
Holland & Knight LLP
2000 K Street, NW
Second Floor
Washington, DC 20006
(202) 828-1849

July 15, 1999



810 N. MARINE DR., SUITE 200
TAMUNING, GU 96911
671-469-0555 671-469-2232 FAX

July 15, 1999

Dear Customer:


This is to inform you that on July 9, 1999, GST Telecom Pacific, Inc. ("GST") and Startec Global Communications, Inc. ("Startec"), the parent corporation of PCI Communications, Inc. ("PCI") entered into an agreement whereby, subject to regulatory approval, certain telecommunications assets of GST will be acquired by PCI. At that time PCI will become your telecommunications service provider.

This change in ownership will not affect or in any way disrupt your current service. PCI is available to serve your needs. No charges or fees will be imposed and no rate increases will occur as a result of the transfer. If you have any questions, please call a PCI Customer Service representative at 475-6767.

Please understand that you are free to choose another long distance carrier. However, should you maintain your present service you do not have to do anything to continue to enjoy the savings and the quality service you have had with GST. In the near future, PCI will be able to provide more competitive rates and better service to you. We are confident that you will be pleased with the high quality of PCI's service.

Sincerely,


JOAQUIN 'DANNY' SANTOS, JR.
General Manager
GST TELECOM PACIFIC INC.


ROBERT J. MALONEY
Senior Director, Asia Pacific
PCI Communications, Inc. (d.b.a.)
STARTEC+PCI Global Communications

135 Chalan Santo Papa
Hagatna, Guam 96910
Tel: 671 477 2244 Fax: 671 477 6054

 **startec+PCI**
GLOBAL COMMUNICATIONS

CERTIFICATE OF SERVICE

I, Eric Fishman, hereby certify that a copy of the foregoing Joint Request for Expedited Waiver was hand-delivered this 15th day of July, 1999, to the following:

Kimberly Parker, Esq.
Common Carrier Bureau
Federal Communications Commission
The Portals, Room 5-C827
445 Twelfth Street, S.W.
Washington, DC 20554

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Eric Fishman